



Our View: Heed Snyder's call for two-year budget by summer

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ADRIAN, Mich. — Two persistent problems have plagued the Michigan Legislature for more years than we can count: an addiction to short-term quick fixes and a chronic inability to pass a budget in anything resembling a reasonable time frame.

Incoming Gov. Rick Snyder wants to change that, and we hope the Legislature will embrace the challenges he put forth in a **Tuesday interview with the Associated Press.**

Challenge No. 1: Pass a budget by July 1 instead of waiting until the beginning of October.

Challenge No. 2: Move from a one-year budget cycle to budgeting for two years at a time, a change that we hope will provide stability and cut back on the budgeting gimmicks for which Lansing is known.

The advantages to passing a budget earlier in the year are obvious. Although the state is on an October-to-September fiscal year — which, by the way, dates back to an accounting gimmick that got lawmakers out of a jam back in the 1970s — the local entities that depend on the state for funding begin their fiscal years on July 1. Every time summer rolls around, local school boards are placed in the ridiculous position of needing to finalize their budgets by June 30 — when they have absolutely no idea what amount the Legislature will set for per-pupil funding.

Actually, we would prefer that the state pass its budget even earlier than Snyder proposes, giving local entities more time to plan. The Iowa General Assembly, for instance, finishes its budget in April every year; there's no excuse for our Legislature being unable to do the same. But setting a budget by the end of June would be a great improvement over what we've become accustomed to.

Snyder's call for a two-year budget is also a good idea. Budgeting for more than one year at a time is a practice that's been used successfully in many local governments, such as Oakland County's, and in several states as well. In this state, according to the Michigan Public Policy Survey conducted by the University of Michigan, multi-year budgeting is used by 14 percent of counties, 22 percent of cities, and 5 percent of villages and townships.

Two-year budgeting has the potential to provide much-needed stability for local governments and school districts, as well as giving the state more maneuvering room to cope with unexpected circumstances. We also hope it will force lawmakers to take a longer view than they typically have in recent years. Measures like selling off the state's share of tobacco settlement money or plugging the current budget hole by changing the schedule for absorbing unclaimed property into the state budget are tempting when legislators only need to deal with the next 12 months. A process that forces lawmakers to pass a budget before July — ideally before June — and to look at two years at a time should encourage them to take a longer view and cut down on "quick fixes" that help the upcoming year's budget at future years' expense.

Michigan's budget process has been broken for many years. That won't change overnight, but embracing the challenges Snyder laid out on Tuesday will be a good start.

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